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## **Commentary: The threat to Proposition 13**

By Michelle Steel

As Sacramento's new supermajority gears up to tear down California's "third rail of politics," it is vital to explain what makes Proposition 13 so important, and why plans to destroy it could hurt Californians for years to come.

Before Proposition 13 passed in 1978, homeowners had become overwhelmed by decades of increasing tax assessments on their properties. Skyrocketing tax assessments threatened many, especially older Californians on fixed incomes, with the loss of their homes because they couldn't make the tax payments.

By 1978, legislative efforts to address taxpayer unrest had failed. Redistribution schemes to provide tax rebates for low-income homeowners while increasing taxes on others had failed to pass in the Legislature. The benefits of homeowner exemptions passed in 1968 and 1972 quickly eroded because of increasing property values.

Voters were tired of waiting for the government to act while they were being taxed out of their homes. Proposition 13 provided relief by transforming a complex and unequal property tax system into predictable, manageable property tax bills for California property owners. It also built sturdy roadblocks to protect taxpayers from the tax-hiking whims of simple majorities in Sacramento.

Ever since then, the same special interests and tax-hungry politicians who had opposed Proposition 13 in 1978 have been fighting to undo that victory for fiscal sanity. With a Democratic supermajority in the Legislature, the threat to California property owners has never been greater.

Proposals already floating in the halls of the Capitol would allow legislators to raise taxes with a simple majority vote, drop the vote requirement for local parcel taxes to 55% from two-thirds, and strip Proposition 13 protections from commercial property.

Lowering the vote threshold for local parcel taxes is an unnecessary and dangerous attempt to make it easier for local governments to increase revenues so Sacramento politicians can keep more state tax dollars.

Voters have already shown that they are willing to raise local parcel taxes with a two-thirds vote. On Nov. 6, voters passed 52% of the parcel taxes on the ballot, according to the California Taxpayers Assn. Moreover, allowing a 55% vote-margin for parcel taxes could allow a bare majority of voters, some of whom may not own property, to burden property owners with any number of flat-rate property-tax hikes that won't go down even if property values plummet.

Removing Proposition 13 protections from commercial properties, known as a "split roll," will spike taxes on businesses. Higher taxes on commercial property will increase costs for consumers and decrease incentives for businesses to locate in California. The one element of certainty in California's tax code will be wiped away, and commercial property owners will have to worry every year about spiking tax rates. The split roll won't reduce the tax burden on homeowners or renters, and it will lead to an administrative nightmare for underfunded assessor's offices in every county.

Decreasing the two-thirds voting requirement for raising state taxes will allow the majority of the moment to have its way with taxpayers' wallets.

Today, because of Proposition 13, we Californians know how much tax we have to pay when we buy a property, and we can reliably estimate the payments every year. Homeowners on fixed incomes, who paid off their mortgages long ago, have no need to worry about being driven from their homes by higher taxes. And we can trust that taxes will not be raised without the broad support of local communities or politicians in Sacramento.

Proposition 13, and the legislation built around it, has provided a protective barrier between the people of California and the tax spenders in Sacramento for more than 30 years. Once that barrier is broken, it will not be easy to repair.

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